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**FACTORS INFLUENCE BUSINESS SUCCESS AMONG BUMIPUTERA  
ENTREPRENEURS IN PENANG**

**By**

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Thesis submitted to  
School of Business Management,  
Universiti Utara Malaysia,  
in Partial Fulfilment of the Requirement for the Master of Science (Management)



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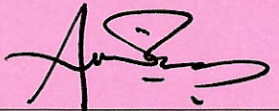
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## ABSTRACT

Penang is the second smallest state in Malaysia with statistic showed that Bumiputra involvement in the area of small and medium scale business is not encouraging and has the lowest involvement compared to other states. Hence, this study investigated the factors influence business success of Bumiputra entrepreneurs in Penang. This research focused on four independent variables that contributed to the business success namely entrepreneurial self-efficacy, motivation, government support, and social networking. This research use a survey methodology by questionnaire, then analysed by using descriptive analysis, correlation and regression analysis. Findings showed that entrepreneurial self-efficacy, government support and social networking have positive influence on bumiputra entrepreneur business success. However one variable that is motivation has no significance influence to bumiputra entrepreneurs business success in Penang. The findings of this study could contribute both to theorists and managerial practitioners.

Keywords: Entrepreneurial self-efficacy, motivation, government support, social network, bumiputra entrepreneur, business success.



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## ABSTRAK

Pulau Pinang adalah negeri terkecil kedua di Malaysia dengan menunjukkan statistik bahawa penglibatan Bumiputra dalam bidang perniagaan kecil dan sederhana tidak menggalakkan dan mempunyai penglibatan terendah berbanding negeri-negeri lain. Oleh itu, kajian ini menyiasat faktor-faktor yang mempengaruhi kejayaan perniagaan usahawan Bumiputra di Pulau Pinang. Penyelidikan ini memberi tumpuan kepada empat pembolehubah yang menyumbang kepada kejayaan perniagaan iaitu; keyakinan diri keusahawanan, motivasi, sokongan kerajaan, dan rangkaian sosial. Kajian ini menggunakan metodologi tinjauan dengan soal selidik, kemudian dianalisis dengan analisis deskriptif, analisis korelasi dan regresi. Pencarian ini menunjukkan bahawa keyakinan diri keusahawanan, sokongan kerajaan dan rangkaian sosial mempunyai pengaruh positif terhadap kejayaan perniagaan usahawan Bumiputra. Walau bagaimanapun satu pembolehubah iaitu motivasi tidak memberi pengaruh penting kepada usahawan perniagaan Bumiputra di Pulau Pinang. Penemuan kajian ini boleh menyumbang kepada kedua-dua iaitu ahli teori dan pengamal pengurusan.

Katakunci: Keyakinan diri keusahawanan, motivasi, bantuan kerajaan, rangkaian sosial, usahawan bumiputra, kejayaan perniagaan.



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## ACKNOWLEDGEMENT

In the name of Allah the Most Gracious and the Most Merciful. All praised to the Almighty with His permission I am able to complete this report.

First and foremost I would like to thank Assoc. Prof. Dr. Darwina bt. Hj. Ahmad Arshad because with her supervision and guidance I am able to complete this report. The time she spend during the seminar and during his personal hours in providing assistance and consultation are mostly appreciated. A sincere appreciation to friends, coursemate and lecturers in Universiti Utara Malaysia who always gave a great support during my study. Without their endless attention, care, encouragement and sacrifice, it would be hard for me to complete this study.

Finally, I extend my gratitude and appreciation to the most important part of my life which is to my parents, my wife and daughters. Thank you for being there for me through thick and thin. Without the encouragement and strength from them everything will be impossible.

Thank you

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## ABBREVIATIONS

ESE	- Entrepreneurial Self-Efficacy
GDP	- Gross Domestic Product
MITI	- Ministry of International Trade and Industry
RBV	- Resources Based View
SME	- Small and Medium Enterprise
NEP	-New Economic Policy
NDP	-National Development Policy



# CHAPTER 1

## INTRODUCTION

### 1.1 Background of the Study

The foundation of business elements among Bumiputra particularly Malays experience fast advancement since Malaysia has picked up freedom from the colonial of British in 1957. The administration centers around Malay entrepreneurs as one of the instruments to redistribute and settle the lopsided dispersion wealth among ethnics. The extraordinary effect on unjust circulation of wealth saw an unfortunate frequency in 1969 where the nation paid a high cost when ethnic uproar happens. The administration turned out as a defining time with a powerful and well-organized 20-year economic arrangement known as The New Economic Policy, the two-dimensional goal of which was to eliminate poverty and redistribute wealth among ethnic.

In 1971, Malaysia's post-independence policy, the New Economic Policy (NEP) was established due to the aftermath of the 13 May 1969 race riots that was sparked because of the socioeconomic imbalances between different ethnic groups. Bumiputra, being the indigenous people of Malaysia; which form the largest population group in the country. During British colonisation, the British implemented the rule system in which resulted the Bumiputra being the group that was left behind in economic activities. In the system, the non-Bumiputra particularly the Chinese lived in urban areas which were associated more with entrepreneurial activities while Bumiputra remained in their villages or *kampong* doing agriculture activities as their main source of income (Ariff & Abubakar, 2003). Bumiputra felt that this approach gave economic benefits more to

non-Bumiputra than Bumiputra. Therefore, among the strategies that government included in Malaysia's economic policies; one of them has been set was to encourage more involvement of Bumiputra entrepreneurs through the provision of various means of entrepreneurial support and incentives to improve the economic abilities of the Bumiputra. In general, the government support for entrepreneurship and Bumiputra entrepreneurship in particular is included in the 'Malaysia Plan', a five-year blueprint that drives the economic development of the country.

The individual strategies under the NEP and NDP looked to improve and increase the cooperation of Bumiputra business ventures and economic situation. The public policy instruments the NDP and its predecessor the NEP was detailed to advance Bumiputra general financial prosperity which was joined in the Malaysian government's five yearly monetary plans since 1970. However, the NEP which went on for a long time did not meet its target of overseeing 30% economic value shareholding by Bumiputra (Zainol & Ayadurai, 2010). According to the Outline Perspective Plan II (OPP II), 1991-2000, Bumiputra responsibility for capital had expanded to just 20.3% in 1990 (Seventh Malaysia Plan, 1996) from 2.4% in 1970. There is deficit of the target by almost 10%. However, non-Bumiputra (mainly Chinese) ownership of share capital had increased to 46.2% from 32.3% in 1970. In 1995, the Bumiputra equity ownership has insignificantly expanded to 20.6%. (Zainol & Ayadurai, 2010). Expired in 1990, the NEP was replaced by the NDP which proceeded with the primary strategies of the NEP. In spite of the fact that it was called by a distinct name the NDP seeks to ensure continuity of policies sponsored by the two vital plans to rebuild the general public so that no particular race is linked to economic ability and poverty eradication. However, the government and Bumiputra business leaders and intellectuals has broadly recognize



that the approaches have not prevailing as focused. There were even fears among the community that after more than 20 years, whatever little was accomplished, it may be lost again. Facts and figures seemed to implied that the Bumiputra financial accomplishment is certainly not an enduring recommendation dependent on current approaches. It may be asserted that more than government tools are needed to assist resolve financial malaise in Bumiputra, and for funds spent, for results that don't remunerate the endeavors of the administration strategies in expanding Bumiputra economic status.

Malaysia hopes to reach its complete industrial nation status by the year 2020. In accomplishing this point, the nation perceives the significance of having a beneficial, skilled and talented workforce able to contribute to domestic growth. The entrepreneurs, regarded as a critical catalyst for building effectiveness and ensuring the concentrated edge on the global market, are incorporated into this workforce. Entrepreneurship is a business that works for society's prosperity and the nation's development. Generally, the vast majority of the entrepreneurship business are self-owned. Entrepreneurship is a systematic phenomenon that offers advantages to people who identify or determine possibilities through innovation, take risks and take advantage of the chance to offer or display something fresh on the market in the most appropriate way (Jennifer et al 2009). Entrepreneur is an person who completes things, makes more money just as he appreciates his chance and is also driven by current resources to create fresh things. Entrepreneur starts his company in a highly competitive sector with the ability to create and innovate fresh stuff that identify marketplace possibilities. In any economy, entrepreneurs play a main role. These are the people who have what they need and take the initiative to take new ideas in showcasing their item

and settle on the correct choices to guarantee the ideas are profitable. The result from risk taking has an incredible potential to expand financial benefits for entrepreneurs. Entrepreneurs are not really inspired by profit but rather see it as a standard for estimating accomplishment or achievement. As an entrepreneur he or she needs to lead their business with creative and innovative in delivering new or improving existing items to guarantee their business stay effective.

Ariff and Abubakar, cited in (Bahari, Jabar, & Yunus, 2017) explained that the development of entrepreneurial activity and concept has been given high emphasis in the Malaysian context of entrepreneurship. This is demonstrated by a number of supporting policies and programs that are available in the country to assist entrepreneurs in terms of funding, consultancy services and physical infrastructure. Additionally, Ahmad and Xavier (2012) revealed that deficient money related support, lack of entrepreneurial education, irregularity in government approaches, bureaucracy and insufficient entrepreneurial training are the major obstacles blocking the achievement and development of SMEs in Malaysia. To enable this, according to (Jabar J, Soosay C, Abdul KF, Musa H, and Akmaliah ON, 2015), different human resources development programs such as skills development projects, profit-sharing schemes or incentives can be introduced to ensure that technological knowledge is continually accumulated in the human resources engaged in manufacturing operations. To that end, several studies sought to recognize the critical factors of business success. Notably, it is essential for business owners and policy makers to comprehend the elements that influence the success of businesses. The policy makers can then use the data on the country's business failure and achievement to create and sustain a stable economy (Abdullah, Hamali, Deen, Saban, & Abg Abdurahman, 2009). When distinguishing the

components and obtaining significant information for the project, the next phase for the entrepreneur is to obtain fresh funds or to monitor current resources in a viable manner in order to exploit the variables. After the resource acquisition, entrepreneurs need to build skills and select competitive strategies for resource utilization. Studies have tried to examine entrepreneurs regarding their resource endowments and strategies for resource acquisition. A helpful starting point for this debate is the company's resource-based theory literature.

## **1.2 Problem Statement**

With a total land area of 1048km<sup>2</sup> and a population of 1.69 million (2015), Penang is the second smallest state located north to Peninsula Malaysia. In contrast with Malaysia ethnic composition where the Bumiputra are majority (62%), Penang population has a similar proportion between the Chinese (40.5%) and slightly larger proportion of Bumiputra (41.6%) followed by Indian (10%). In Malaysia, Penang now is the third largest economy with manufacturing in the year 2000 accounting for 45.9% of the state's Gross Domestic Product (GDP). Penang recorded RM3.83 billion in investment in foreign direct investment (FDI) and RM1.67 billion in domestic investment in the first nine months of 2018 (Bernama, 2019). The economic structure orientation of Penang is highly on manufacturing and services. Penang has been labelled the "Silicon Valley of the East", due to the prominence of its electronics & electrical (E&E) sector which operated primarily in Bayan Lepas and Seberang Perai Free Industrial Zone.

When the New Economic Policy (NEP) was presented in Malaysia in 1971, it was accepted that the state would assume a greater job in the economy by effectively mediating for the benefit of the Bumiputras. While the principal prong of the NEP aimed to eradicate poverty irrespective of race, the subsequent prong aimed to restructure society. As a matter of fact, the significant push of the NEP was its fixation on the need to both industrialize and create Bumiputra entrepreneurs. Different attempts have been made to encourage and boost Malay involvement in this industry. To overcome Bumiputras' issues and barriers, several government agencies such as Majlis Amanah Rakyat (MARA), Penang Regional Development Authority (PERDA), District Office, Urban Development Authority (UDA), Penang City Council and Seberang Perai City Council together with the Penang Bumiputra Steering Committee supplied the required infrastructure such as company locations, capital loans, and business management skills training and classes have provided the necessary facilities such as business sites, capital loan, and courses and training in business management skills. Jamelah Bakar, (1994) (cited in Abu Bakar, 2015) stated, statistics show that small and medium-sized enterprise participation by Bumiputra is not encouraging. Five factors have been identified by the Task Force Committee established to study the Bumiputra participation problems in this sector: (i) lack of concern owing to inadequate exposure to the possibilities available in this industry; (ii) capital problems, in particular venture capital ; (iii) no strategic location and accessible company sites for Malaysian entrepreneurs ; (iv) absence of business management skills and experience ; and (v) low educational profile. Only 14.8 percent Bumiputra in Penang involved in SME which is the lowest compared to other states. It is far left compared to Terengganu which recorded the highest participant with 87.5 percent. There are many Bumiputra of Penang who are interested in becoming an entrepreneur, only that they are stopped from

realizing it due to several reasons or factors. This study was conducted to identify the factors that influences the business success which will serve as guideline in producing successful entrepreneur in Malaysia, specifically in Penang.

Different scholars can define small business success in different ways, in the simplest way, as defined by Lussier and Pfeifer, (2001) as cited by (Mohamad Zulkifli & Mohd Rosli, 2013) as the ability of the company to sustain or survive in business. However, some researchers have utilized criteria based on money related measures to gauge business achievement despite the fact that these criteria may not be fully suitable for small businesses such as profitability, growth in sales, market share and cash flow to define success (Kelmar, 1990) cited in (Mohamad Zulkifli & Mohd Rosli, 2013). Business performance can be described in terms of economic or financial analysis including asset returns, sales, revenues, staff and survival rates ; and no pecuniary measures such as personal development and performance and customer satisfaction. (Masuo et al., 2001; Abdul Kader, Mohamad, & Che Ibrahim, 2009; Saleem, 2012).

Many have been pulled into being entrepreneurs by the chance to generate wealth and be their own boss. This has, of course, intensified the studies on the development of small and medium-sized enterprises (SMEs) and, more significantly, the formal and informal characteristics associated with the entrepreneurs who have effectively driven their organizations to the stage of development. The common areas of research mentioned in the literature are the leadership of entrepreneurs, entrepreneurial orientation, management skills, competencies, human capital, personality traits, and network circle. (McClelland, 1961; Che Rose, Kumar, & Li Yen, 2006; Lucky &

Olusegun, 2012) affirmed that characteristics related with an intense requirement for accomplishment add to the achievement of new pursuit.

The personality traits of entrepreneurs have also been acknowledged as having an effect on organizational performance (Robinson & Sexton, 1994) as cited in (Che Rose, Kumar, & Li Yen, 2006) In the psychological literature on entrepreneurship, as in some financial expert speculations. (Covin and Slevin, 1991), Entrepreneurs are frequently portrayed as persons with certain types of stable and enduring features or characteristics. The emphasis is on the traits of personality (Brockhaus and Horwitz, 1986; Cromi, 2000). Despite the reality that studies on personality traits have played a crucial part in enhancing entrepreneurial achievement globally, however, personality traits have been criticized on both theoretical and empirical grounds in entrepreneurial research. Gartner (1988) as cited in (Che Rose, Kumar, & Li Yen, 2006) In his research paper "Who is the entrepreneur?" Noted that asking "Who" is an inappropriate investigation, but instead the character of the entrepreneur is only identified with the accomplishment of the start-up through increasingly specific processes. This is because of the fact that if there is no motion and initiative made through the entrepreneurs, these variables will not apply.

Bruerdlerl and Preisendoerfer (1998) as cited by (Che Rose, Kumar, & Li Yen, 2006) in their studies, they discovered that support for social networks is linked to the survival and growth of newly formed businesses. A network strategy assumes that the capacity of entrepreneurs to organize and coordinate networks between people and organizations' is essential to starting a successful business and enterprise. It has been discovered that official sources of assistance have not been fully used, the most

frequently cited organizations being banks. Informal network support such as friends, families, prior employers and acquaintances discovered the company to be beneficial. Therefore, another objective of this research was to examine the extent to which social network assistance contributes substantially to the achievement of growing business management. Questions about the role of the government in promoting entrepreneurs during both start-up and venture development have also been raised. Many are unaware of the government's funds and programs, while some believe it is far from possible to gain such assistance, others are simply blind to it in reality. Unlike neighboring nations involved in these assistance programs, an article stated that the literature released by the Malaysian Industrial Development Authority seems to be concerned with inner bureaucratic issues rather than with the requirements of the entrepreneur. (Dana, 1987; Che Rose et al., 2006).

The government of Malaysia perceives that the SMEs contribute about 25 percent of the financial exhibition of the nation. Therefore, under various strategic plans, the state has placed in place many legislative, legal and economic frameworks that are conducive to SME start-ups and growth. As of now, there are currently five main fields of government support programs for SMEs in Malaysia, including: economic and loan support ; technical and training aid ; expansion and consulting services ; marketing and market research ; and infrastructure support. (Abdullah, 1999) as cited in (Che Rose, Kumar, & Li Yen, 2006). Abu Bakar et al. (2003) in his study found that among the success factors for the diversification of Malaysian entrepreneurs are receiving full government support as well as government training. Yusuf (1995) as cited in (Che Rose, Kumar, & Li Yen, 2006) in his study, he found government support to be one of the key success factors for South Pacific small businesses. Governments in developing



countries play a role in providing incentives and infrastructure to promote and support businesses. However, despite the reality that the Malaysian government has developed numerous organizations and institutions to help SMEs, it remains uncertain whether these programs are available to SMEs and how far the programs are being used by SMEs. Hence, it is also in this research's interest to explore whether or not growing business entrepreneurs use government support programs to develop their businesses, and if not, what are the reasons for not doing so.

### **1.3 Research Questions**

This study was carried out to investigate whether independent variables, that is factors associated with business success which include entrepreneurial self-efficacy, motivation, government support and social networking have a relationship and able to influence the performances of the SMEs owned by Bumiputra entrepreneur in Penang to be successful as the dependent variable. Based on the above issues, several issues have arisen which then become the foundation for this research. This research will therefore attempt to define and discover the responses to the following issues:

1. What is the relationship between factors (entrepreneurial self-efficacy, motivation, social networking and government support) and business success?
2. Do factors of entrepreneurial self-efficacy, motivation, social networking and government support influence the SMEs business success owned by Bumiputra in Penang?

#### **1.4 Research Objectives**

The main objectives of this study are to identify whether there are relationship between independent variable and does it able to influence the performances of the SMEs owned by Bumiputra entrepreneur in Penang to be successful. Thus, the specific objectives of this study are as follows:

1. To examine the relationship between factors which include entrepreneurial self-efficacy, motivation, social networking and government support towards firm performance and business success?
2. To examine whether entrepreneurial self-efficacy, motivation, social networking and government support influence the performance of SMEs owned by Bumiputra in Penang?

#### **1.5 Significance of the Study**

The research aims are to examine whether the relationship between factors which include entrepreneurial self-efficacy, motivation, social networking and government support towards firm performance and business success. This research expects to assist entrepreneur in Malaysia particularly Bumiputra entrepreneur in Penang on gaining information and ideas as a reference for them in equipping themselves with business knowledge to survive and succeed in the field of entrepreneurship. Besides, it is hoped that this study could act as a platform and informative for future researchers who are interested to study on entrepreneurship.

## **1.6 Scope of the Study**

Firstly, the research only focused on the Bumiputera entrepreneur in Penang. The involvement of Bumiputra of Penang in SME industry seems not encouraging in which might giving a serious impact on the economic balance in Penang. This research was only obtained from owner or entrepreneur or manager or other top management of the SMEs manufacturing firms as the respondents. The respondent must be a person who knows well about the company's plans, strategies, future directions as well as with the overall performances of their company. Finally, this study examined motivation and self- efficacy as the factors of entrepreneurial trait and social networking and government support as the external forces in assuring business success.

## **1.7 Definition of Terms**

### **1.7.1 Business success**

In terms of economic or financial analysis including asset returns, sales, revenues, staff and survival rates; and non-specific measures such as personal development and accomplishment and customer satisfaction. Masuo et al., (2001)

### **1.7.2 Entrepreneurial self-efficacy**

The belief (or confidence) of an individual in his or her ability to mobilize motivation, cognitive resources and courses of action necessary to carry out a particular job effectively within a specified framework (Bandura, 1997).

### **1.7.3 Motivation**

Push and pull factors caused the motivations. Push and pull motivational factors determine personal entrepreneurial behaviour, stimulate the expectations of a person and create the existence of entrepreneurial needs, resulting in entrepreneurial motivation being formulated (Che Ismail, Mohd Shamsudin, & Chowdhury, 2012).

### **1.7.4 Social Networking**

A set of connections between an recognized group of individuals whose features have some explanatory powers about the social behaviour of the individuals concerned (Bowling, 1991).

### **1.7.5 Government support**

Government support programs for SMEs in Malaysia are focused on five fields: economic and loan support; technical and training aid ; extension and consultancy

services ; marketing and market research ; and infrastructure support. (Abdullah M. , 1999).

## **1.8 Organization of the Chapter**

This report was made of 5 chapters. Chapter 1 introduced to the background of this study, discussion of problem statement, research question, and objectives of the study, significance and scope of the study as well as the definition of key terms. The Chapter 2 emphasized on literature reviews pertaining the subject of entrepreneur, business success, motivation, self-efficacy, social networking and government support. Furthermore, Chapter 3 continues with research methodology, including theoretical model, hypotheses, research design, sampling and data collection procedure as well as the instrumentation used in this study. The following Chapter 4 presents findings of analysis, hypotheses testing and discussion of the result. Finally, Chapter 5 concludes and summarizes the whole study, then followed by recommendation and an insight into future research.

## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter discussed the literature review of the topic concern to Bumiputra entrepreneurs and factors that influences their success. It is useful to review the related areas of the current studies to understand the perspective of RBV theory used in this study, independent variables and its relationship with dependent variable.

#### **2.2 Bumiputra entrepreneur**

As one of the instruments to redistribute and stabilize the disproportionate distribution of wealth among ethnics, the government focuses on Bumiputra entrepreneurs. In 1969, the major effect on the unequal allocation of wealth has witnessed with a sad incidence where the country paid a very high price when there is an ethnic riot. The government came out as a turning point with a bold and well-structured 20-year economic plan (1970-1990) called The New Economic Policy, which aimed at eradicating poverty and redistributing wealth among ethnic groups (Malaysia, 1971). To achieve this objective, Bumiputra had to be overwhelmingly involved in entrepreneurship. Not only did the government encourage Bumiputra to engage in entrepreneurial activities but at the same time, numerous mechanisms have been provided to assist Bumiputra in business, including incentives and financial assistance. The government acknowledged that entrepreneurship is one of the efficient instruments to attain the goals set out in the New Economic Policy. The government has spent huge amounts of money, offering support

to Bumiputra entrepreneurs, starting with company start-ups to company development and internationalization since the beginning of the NEP.

There have been various plans to alleviate poverty and increase Malaysians' interest in entrepreneurship, particularly for Bumiputra. The Ministry of Entrepreneurship and Co-operative was established in 1995 to produce and nurture entrepreneurial start-ups in the field. Furthermore, various agencies and financial institutions have been set up to address capital financing issues in order to set up companies such as Perbadanan Nasional Berhad (PNS), Majlis Amanah Rakyat (MARA), Tabung Ekonomi Usaha Niaga (TEKUN), SME Bank and Bank Pembangunan (Yahya, 2014). In most aspects, however, the Bumiputra are still far behind compared to other Malaysian entrepreneurship communities. For example, since the colonial times, the Chinese have mastered the field of entrepreneurship and business. The Bumiputra are more focused on villages and rural areas for agriculture and fishing. This is due to the divide and rule colonial politics.

As Malaysia's economic growth and globalized, the Bumiputra should therefore improve conversion and seize entrepreneurial chances to ensure intensity and not left behind in towards a high-income country (Khairunnisa Mardzuki, Zaimah Darawi & Mohd Radzuan Rahid, 2012). Factors influencing an individual's involvement in entrepreneurship can be split into internal and external factors (Gomezelj, 2013; Ishak, Khairunnisa, Zaimah and Shukri, 2011). Internal variables are the intrinsic feature of the self-entrepreneur, interests, abilities, knowledge and personality or attitude (Gomezelj, 2013; Ishak et al., 2011; Mohd Hassan, 2007). External factors, on the other hand, refer to environmental influences such as society structure, culture, government



policy, family practice, the business environment and support the school or institution of higher learning institutions (Gomezelj, 2013; Ishak et al, 2011).

Penang is the only state in Malaysia that has an agency that is solely dedicated to Bumiputra socioeconomic development, Bahagian Penyelarasan dan Pembangunan Bumiputera Pulau Pinang (Bumiputra Coordination and Development Division, BPPBPP). The BPPBPP is under the jurisdiction of Implementation and Coordination Unit (ICU) of the Prime Minister's Office (PMO), and its main aim is to uplift the socioeconomic standing of Bumiputra in the northern state of Penang. The BPPBPP currently focusing on housing and real estate, human capital development, tourism and entrepreneurship and cooperatives. BPPBPP economic development goal is to raise the socioeconomic status of Penang Bumiputra and one of the main aims is to create more Bumiputra entrepreneurs. Based on the 2013 data on Penang Bumiputra entrepreneurs reveals that there are only 2,308 Bumiputra entrepreneurs in Penang and 52.4% of them are involved in the construction industry (Malaysia Implementation and Coordination Unit 2014). This should well be because of the reality that government contracts in the production sector are reserved solely for Bumiputra. More importantly, it is going to show that Bumiputra entrepreneurs can most effective thrive beneath country patronage. Nevertheless, entrepreneurship can be effective, unproductive, and is some instances unfavorable. (Baumol 1990; Coyne and Leeson 2004).

### **2.3 Business success**

Business success is viewed as a definitive course of any entrepreneurial efforts. Different scholars have defined business success in a variety of ways, for example, Paige and Littrell (2002) describe small businesses by intrinsic criteria such as freedom and independence, controlling a person's own future and being their own boss and extrinsic outcomes, including financial returns, personal income and wealth. Business success can also be defined as the ability of the company to survive or sustain business (Lussier and Pfeifer, 2001). There are at least two relevant dimensions of business success, financial vs. non-financial, and short-term vs. long-term success, according to Islam, Khan, Obaidullah and Alam (2011). Hall and Fulshaw (1993) state that the critical measure of success is profitability and increase because the use of financial measures requires increases in earnings or turnover for a business to be considered a success. Growth represents long-term performance while profitability reflects short-term performance.

In their research, Masuo et al (2001) defined business success in terms of economic or financial analysis including asset returns, sales, revenues, staff and survival rates; and non-specific measures such as personal development and accomplishment and customer satisfaction. Traditional business success measures were based on either numbers of employees or financial performance, such as profit, turnover or investment return. Generally regarded as the most appropriate measure of business success are financial criteria, however, many small business owners are encouraged to start a business based primarily on lifestyle or non-public factors. Non-financial goals should lead to opportunities for success measures, especially in the area of small business

enterprises. In small businesses, various early attempts have been made to understand the performance of firms in terms of monetary ratios and accounting measures (Shailer, 1989). Few scholars (Riquelme & Watson, 2002) however argued that financial ratios and accounting data lack reliability, since most small businesses do not have any formal reporting requirements on these financial data. Because of these reasons, sufficient reliable information becomes impossible to measure the success of small businesses. In addition to this thought, Wieder, Booth, Matolcsy, and Ossimitz (2006) added to the argument that financial accounting measures are also not capable of taping the essence of a company's performance in other aspects, such as customer service, product quality, innovation, and operational efficiency. Furthermore, relying on financial data limits the capacity to explain future execution as it is usually located, and can therefore be misleading. (Koufteros, Vergheze, & Lucianetti, 2014).

Jennings and Beaver (1997) argue that the success is more than the journey of financial goals and money; it includes a few parts of the entrepreneurs' own intrinsic reward. Explicit in their argument is that the best measure of success for small firms is to achieve personal goals such as satisfaction with one's own personal involvement, autonomy, and life balance rather than financial result. Beaver (2002) agrees that money is not a prime motivator for many entrepreneurs, but rather a 'enjoyable by-product' of having the liberty to assume accountability for their own future.

The objective and motivation behind each venture is to make progress and accomplishment is characterized isolates ways. Some researchers concentrated on money related measures as a trademark and others focused on non-monetary as marker to degree of success. The preceding claimed traditional financial performance measures

including sales turnover, profitability, investment return to predict a company's success and failure (Bruderl & Preisendorfer, 1998). Researchers who prefer financial success measures tended to argue that for organizations' achievement, profits must be generated and a certain level of growth must be reflected in the volume of their sales (Perren, 2000). Wiklund (1999) proposed that both performance aspects, such as financial and non-financial, complement each other and show the real company performance. Therefore, merely focusing on economic results is not adequate while neglecting the other steps that also show company achievement (Buttner & Moore, 1997). Murphy et al. (1996) argued that to capture total organizational performance, both the financial and non-financial dimensions of organizational performance should be emphasized in future studies.

#### **2.4 Entrepreneurial self-efficacy**

The term self-efficacy, derived from theory of social learning by Bandura's (1977), in which, according to this theory, self-efficacy is the perception of an individual of his or her abilities that plays a vital role in the development of his or her intentions to engage in a particular task or activity. Self-efficacy is one's self-conscious estimation of one's ability to use motivation, accessible cognitive resources, and courses of action necessary to overcome incidents in one's life (Wood and Bandura, 1989). Cromie (2000) said that self-efficacy influences the convictions of an individual about whether certain goals could be achieved. Bandura (1977) demonstrated the way that 'people' level of motivation, loaded with inclination status and exercises depend more on what they acknowledge than on what is fairly valid'. The self-efficacy perspective of a person affects how the person acts and how available learning and skills are used. Thus, as

stated by beliefs about their abilities, people carry on rather than real certainties depending on their capacity and abilities.

Bandura (1977) discovered that the self-efficacy of an individual plays a main role in how to approach wishes, responsibilities and difficulties. Other concepts such as self-efficacy determined by various research scholars with the help of Mitchell and Daniels (2003) encompass personal business ideals, private efficacy, ideals of capabilities and perceived skills. It is thought that an individual with elevated self-efficacy will also receive more favorable negative feedback and use that feedback to enhance their efficiency. Shane et al. (2003) describes these motivational characteristics as significant to the entrepreneurial process because they think that company circumstances are often vague about the importance of effort, persistence and planning.

Furthermore, self-efficacy is a helpful notion for explaining human behaviour, as study shows that it plays an important role in determining the decision, level of effort and perseverance of an individual. (Chen et al., 2004). Boyd and Vozikis (1994) suggested that individuals' self-efficacy affects entrepreneurial decision and growth. Simply put, individuals with a high degree of self-efficacy are more likely to pursue a task and then persist in it than individuals with low self-efficacy. (Bandura, 1997).

## **2.5 Motivation**

Motivation is a fashionable term making use of to the whole elegance of drives, dreams, wishes, wishes and similar forces (Wehrich et al., 2008). As such, man or woman may

be encouraged by personal drive or preference to acquire success. Motivation is an important factor in the business's startup and success. The motivations caused by factor push and pull stimulate the expectations of the potential entrepreneur. It is the motivation that offers rise to entrepreneurial choices immediately.

The person with a fairly powerful favourable inner willingness to begin a company venture is connected with a ' pull ' motivation. The choice to become self-employed as a result of the pull impacts of a flourishing economy that creates entrepreneurial possibilities is related to these variables such as the need for autonomy, the need for a challenge, enhanced economic chance, self-realization, the desire to be a boss, flexibility to balance family and work, the potential to create a hobby, personal accomplishment (to be taken into account in society), and role models and impact of other people (friends and family). The opposite motivation is ' push,' which is associated with an equally strong desire possible but based on negative external reasons. Push factors are variables related to necessities such as unemployment, redundancy, recession, insufficient family earnings, discontent with present employment and the need to accommodate job and household roles. Push and pull motivational variables determine private entrepreneurial behaviour, boost the expectations of a person, and generate the presence of entrepreneurial need, leading in entrepreneurial motivation being formulated.

According to Tan (1991) as cited by (Mohamed, Rezai, Shamsudin, & Mahmud, 2012), the individual's psychological characteristics make him / her successful in business and the characteristics are motivation towards achievement, family socialization,

innovative, creative and initiative-driven. People's motivation for small business ownership is diverse and involves both economic and non-financial considerations such as private fulfillment, autonomy and flexibility. In their study, Walker & Brown (2004) found that small business owners measure their success using these two criteria and that the criteria for non-financial lifestyle are sometimes more important. Because the company and the owner are strongly bound together, private achievement often equates to company achievement.

## **2.6 Social network**

Social network is a generic way of connecting a set of nodes or actors through a set of social interactions, links or a specific sort of connections (Brass 1992). Bowling (1991) portrays the interpersonal organization as a fixed connection between a characterized people's association, the highlights of which have a few forces to clarify the social conduct of the people concerned. Generally, the word "network" is used for the structure of links between actors in a social system (Nohria and Eccles, 1992). These actors may be roles, man or female people, companies, sectors, or perhaps nation states. Their connections may be based on discussion, affection, friendship, kinship, power, economic alternate, exchange of stats, or whatever bureaucracy the concept of a partnership might be.

Network connection relates to a policy aimed at building and retaining a permanent connection between entrepreneurs and their network (Premaratne, 2002). In a network, streams among articles and entertainers and trades, which may contain a counsel, data, companionship, profession or enthusiastic help, inspiration, and collaboration, can



prompt significant ties (Kadushin, 2004). In all settings, entrepreneurs must develop relationships that enhance reputation with external resource suppliers who are ready to share useful data, technology and finance.

In order to overcome their problems in having providers and clients at the early point of company creation, fresh and small companies need social network contacts the most. Social networking is an crucial a part of entrepreneurship as it could amplify the advertising of products offered (Baron & Markman, 2000) and pick out possibilities and sources (Hamed & Deraman, 2002). The relationship between networking and company performance has been investigated by several researchers. For example, the performance of the company can be fully grasped by examining its network interactions, according to Tehseen et al. (2015). Networking or network interactions result in superior results of the company (Ritter & Gemünden, 2004). Previous studies found that networking competence helps small businesses to access resources that are difficult to imitate and to achieve innovation (Ahuja, 2000), to achieve superior performance, survival and growth by helping firms to enter new markets faster (Lee, Tsang, & Hom, 2001). According to Daisy et. Al. (2010), setting up personal contacts and social networks to navigate a secure course and get different styles of help on this unpredictable client requirements and competitive business climate is critical miles for local SMEs or entrepreneurs.

According to the argument of some entrepreneurial researchers, entrepreneurs ' innovative behavior in developing good social networking relationships with different stakeholders has created a good business reputation that can further influence entrepreneurial success (Baron & Markman, 2000). Another argument is that social

network relationships are essential in entrepreneurship because they could expand the marketing of offered goods (Baron & Markman, 2000) as well as identify possibilities and obtain funds (Hamed & Deraman, 2002). Social network connections are also regarded important in entrepreneurship, particularly in the form of excellent company reputation and company interactions with company agents (Sabater & Sierra, 2002).

## **2.7 Government support**

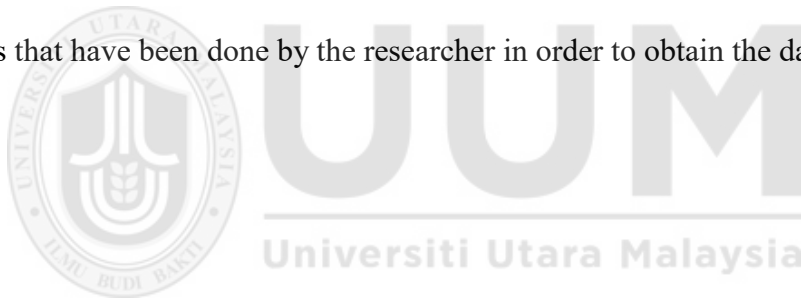
Government support refers to any type of service provided by the government for small business development (financial and non-financial services) (Sarder et al., 1997). Indeed, any type of support is critical to enhancing small business performance (Christ and Green, 2004; Sarder et al., 1997). Authorities have three tasks, according to Petrof (1998), to support the enhancement of small business efficiency. The first feature is to decide the types of economic operations to be developed, the second feature is to decrease the constraints on the growth of small businesses and the third function is to provide economic guidance and infrastructure. Good infrastructure will provide a complementary growth input (Christ and Green, 2004) and small-scale economies (Chan, 1999). To this end, Malaysian SMEs require government assistance or support to become more competitive in the global business environment (Muhammad et al., 2010).

Government's role is to help businesses move to greater levels and achieve competitive benefit in the globalized company setting (Samad, 2007). The government has implemented various incentives, programs and policies to strengthen SMEs and

facilitate them in dealing with global competition. These include strategic long-term planning, export agents, economic agents, negotiators, and tax and incentives.

## **2.8 Summary of the Chapter**

This chapter presents the literature on Bumiputra Entrepreneur and the concepts entrepreneurial self-efficacy, motivation, government support and social network business success. Based on the reviews, there is a positive influence between the independent variable with the dependent variable. After reviewing the literature, the following chapter will be focusing on the research methodology which will explain the methods that have been done by the researcher in order to obtain the data of this study.



## **CHAPTER 3**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

In this chapter, the research methodology explains the scientific method that will be used in conducting this study. This chapter consists of the sequence order on the method used for collecting data, the source of the data collected, and the analysis of the data used to achieve the objectives of this study.

#### **3.2 Theoretical Model**

This study focuses on examining the factors of independent variables, namely motivation, self-efficacy, government support and social network that influences on business success as the dependent variable among Bumiputra in Penang. To examine the relationship between these variables, a theoretical framework model is formed as shown in figure below. Figure below illustrates how the internal factors and external factors influence and exert impacts on Bumiputra in Penang business success.

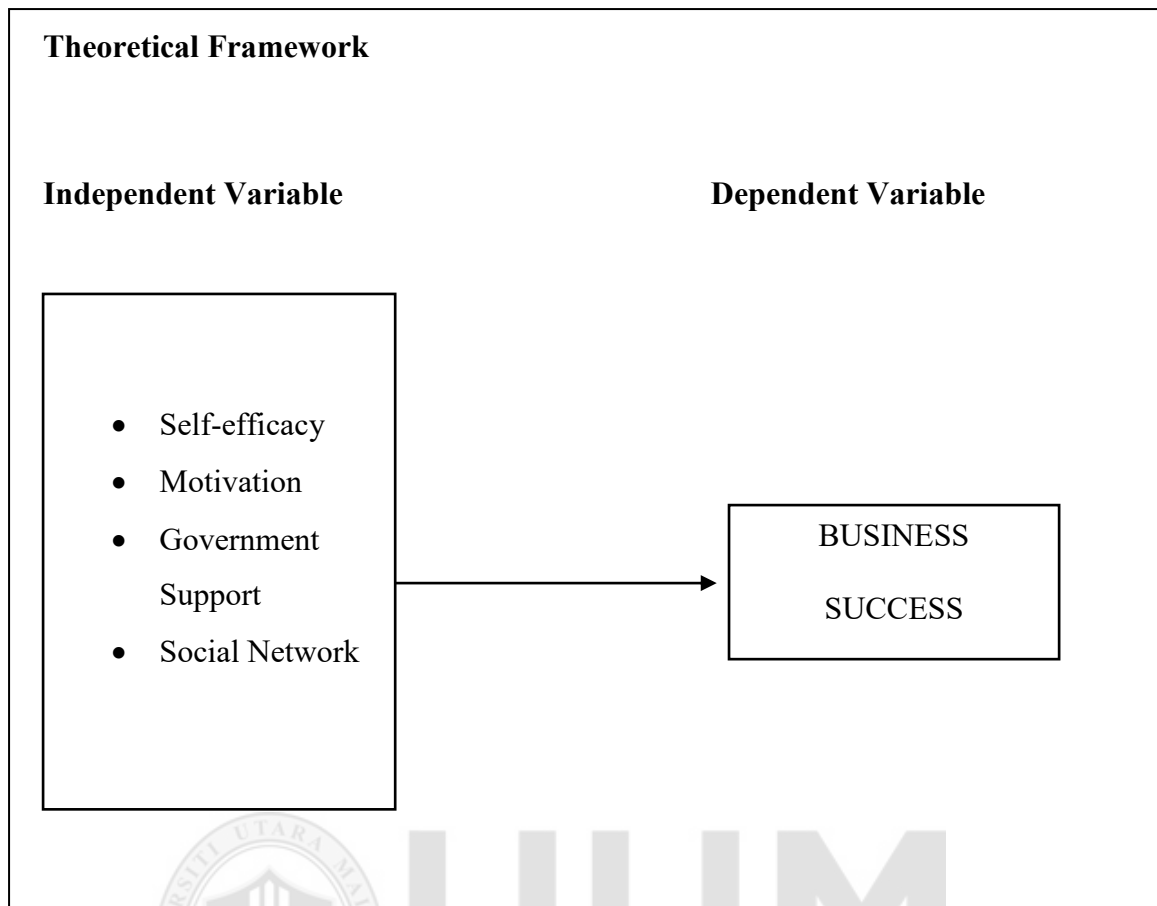


Figure 3.1  
**Relationship Between Independent Variables and Dependent Variable**

### 3.3 Hypotheses

Given the discussion of a firm's performance and innovation practices, thus, the hypotheses will be as follows:

H1: The entrepreneurial self-efficacy has a positive significant influence on business success among Bumiputra in Penang

H2: The motivation has a positive significant influence on business success among Bumiputra in Penang

H3: The government support has a positive significant influence on business success among Bumiputra in Penang

H4: The social network has a positive significant influence on business success among Bumiputra in Penang.

### **3.4 Research Design**

The method of collecting data is an integral part of research design. It is a systematic process to collect the data from various sources including questionnaires, interviews, electronic devices and existing records needed for the specific purpose. The survey design used in this study was by using the questionnaires. A single cross-sectional design has been implemented for this research. This design was selected because the information gathered from sample size at a single point of time reduced outcome vulnerability and also saved time and cost.

### **3.5 Sampling Procedure**

Research sampling is a significant methodology where it is the process of selecting the right subjects that represent the entire population (Sekaran & Bougie, 2013). For the purpose of this study, the population covers the Bumiputra entrepreneurs in Penang, specifically entrepreneurs which are registered with PERDA (Lembaga Kemajuan Wilayah Pulau Pinang). PERDA was established under administration of Implementation Coordination Unit of Prime Minister Office to help Bumiputra entrepreneurs in Penang to be more so that they can compete in the increasingly

challenging world of business today. The target element or sampling unit within the population for this study was the owner or entrepreneur or manager or other top management of the SMEs manufacturing firms as the respondents. It implied that those people are a person who knows well about the company's plans, strategies, future directions as well as with the overall performances of their company. On the other hand, this study obtained the directory of SMEs manufacturing and service firms in Penang from PERDA website as the sampling frame. According to information obtained from the website, the total number of manufacturing and service firms in Penang which registered with PERDA are 1419 firms. Therefore, to determine the sample size for a finite population, the study follows Krejcie and Morgan (1970) table. According to the table, when population size,  $N = 1400$  and above, sample size,  $s = 302$  was sufficient to get an accurate result. This study then used a simple random sampling because it was convenience to select any elements or respondents in the population to be a subject.

### **3.6 Research Instrument**

One of the most integral parts in research is data collection. The generation of data for this study is solely obtained from primary data collection. There are various methods to attain data whether through observations, interviews or questionnaire in survey research. This study then applied questionnaire method as it is known to have the advantage of obtaining data efficiently in terms of cost, time and energy (Sekaran & Bougie, 2013). By using questionnaire, respondents were asked questions which relate to the tested variables.

The questionnaire consists of three sections altogether. Section A consists of 6 items that are geared towards respondent demographic information such as, gender, age, race, educational background, years of company has been establish and type of business. Section B of the questionnaire are consist of the factors that associated with business success namely entrepreneurial self-efficacy, motivation, social networking, access to finance, improvisational behavior and government support. Section C asked on dependent variables which were regarded to business success. The success measurement combined both financial and non-financial aspects





**Table 3.1**  
**Variables Constructs**

Independent variables			
Variable	Operational definition	Item	Source
Self-efficacy	In social learning theory, Bandura's (1977) refers self-efficacy to a person's belief in his or her capability to perform a given task. Cromie (2000) stated that self-efficacy affects a person's beliefs regarding whether certain goals may be attained.	<ol style="list-style-type: none"> <li>1. Brainstorm (come up with) a new idea for a product or service.</li> <li>2. Identify the need for a new product or service</li> <li>3. design a product or service that will satisfy customer needs and wants</li> <li>4. estimate customer demand for a new product or service.</li> <li>5. determine a competitive price for a new product or service</li> <li>6. design an effective marketing/ advertising campaign for a new product or service.</li> <li>7. Get others to identify with and believe in my vision and plans for a new business.</li> <li>8. Clearly and concisely explain verbally or in writing my business idea in everyday terms.</li> </ol>	Adapted from Cromie (2000)

Table 3.1 (continued)

		9. Supervise employees efficiently. 10. Recruit and hire employees. 11. Delegate tasks and responsibilities to employees. 12. Deal effectively with day-to-day problem and crises. 13. Inspire, encourage and motivate my employees. 14. Train employees. 15. Organize and maintain the financial records of my business. 16. Manage the financial assets of my business.	
Motivation	Weihrich et al., (2008) stated that motivation is a general term applying to the entire class of drives, desires, needs, wishes and similar forces. As such, an individual can be motivated by personal drive or desire to achieve success.	1. I want to earn more money than working as an employee 2. I want to be my own boss 3. I want to take advantage of a good economic opportunity 4. This is the best option for my own satisfaction and professional development. 5. I was unemployed 6. I had to add to the family income 7. I had to continue with a family business.	Adapted from Ivan Stefanovic (2010)

Table 3.1 (continued)


Social network	<p>Bowling, (1991) defines social network as a set of linkages among an identified group of people; the characteristics of which have some explanatory powers over the social behaviour of the people involved</p> 	<ol style="list-style-type: none"> <li>1. I always attend any trade fairs national or international to meet potential customer and keeping up to date with the latest business development</li> <li>2. I receive a support from my spouse, family and friend regarding my business.</li> <li>3. I have a strong tie with supplier</li> <li>4. I have a good relationship with other SME's in the same field for my business development</li> <li>5. I have use social media platform such as Facebook, Instagram, Twitter and Website to help me in market penetration strategies.</li> </ol>	Adapted from Barney (1991)
Government Support	<p>According to Samad (2007), government support is to support companies to shift to higher levels and gain competitive</p>	<ol style="list-style-type: none"> <li>1. the government is doing enough to help my business development in Malaysia</li> <li>2. there are too many terms and conditions required for my business to be complied before apply the loan</li> </ol>	Adapted from Baron & Kenny (1986)

Table 3.1 (continue)

	<p>advantage in the globalized business environment.</p>	<ol style="list-style-type: none"> <li>3. it is easy for me or my business to deal with person/ officer who handle the application</li> <li>4. my business received follow-up from a person/ officer in charge after received any assistance</li> <li>5. my business received high access to financing due to various guarantee schemes by government</li> <li>6. it is easy for my business to apply the following new loan after getting the first loan</li> <li>7. my business rely more on short term loan for business development</li> <li>8. my business could exchange new ideas, experience and knowledge after attending seminar/workshop organised by government</li> <li>9. the quality of mentorship programme helps to make my business sustainable</li> <li>10. sharing knowledge among entrepreneurs in the same field increase my business production</li> <li>11. the technology received from the government meet my business needs</li> </ol>	
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Table 3.1 (continued)

Business success	Lussier and Pfeifer (2001) defined business success as the firm ability to survive or to sustain in business. Masuo et al (2001) in their studies defined business success in terms of economic or financial analysis which include return on assets, sales, profits, employees and survival rates; and non-pecuniary measures such as personal development and achievement and customer satisfaction	<ol style="list-style-type: none"> <li>1. Sales are increasing in my business</li> <li>2. Profits are increasing in my business</li> <li>3. My business has been observing overall growth</li> <li>4. My business has low debt levels</li> <li>5. Overall, the financial condition of the business is satisfactory</li> <li>6. My business creates more jobs for local community</li> <li>7. My business obtains customer trust and confidence</li> <li>8. My business is contributing to the community development</li> <li>9. My business has satisfied customers</li> <li>10. Overall, my business is performing well</li> </ol>	Adapted from Reijonen & Komppula (2007); Getz & Carlson (2000); Walker & Brown (2004)
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### **3.7 Data Collection Procedure**

In order to accomplish this research, a total of 302 questionnaires form were distributed to the SMEs owner or manager. A questionnaire has been distributed randomly from 5<sup>th</sup> March 2018 until 30<sup>th</sup> March 2018 through emails and personal administrated. The questionnaire forms were delivered in several events, considering geographical distribution of SMEs in Penang. The researcher brought along a letter to describe the purpose of this survey.

### **3.8 Data Analysis**

Data analysis has been carried out to obtain meaning from the collected data. Analysis was done through a number of data analysis techniques including descriptive statistics, correlation analysis and regression analysis. A statistical package (SPSS version 24.0 for Windows) used to analyse the data for this study.

#### **3.8.1 Descriptive Analysis**

This study used a descriptive analysis to determine the basic characteristics of respondents. The descriptive analyses of profile comprised of respondent's position, gender, age, educational background and number of employees in that particular firm. The descriptive analyses involved were a statistical test for frequency.

### **3.8.2 Correlation Analysis**

A correlation analysis is used to evaluate the strength and direction of the linear relationships between two variables (Field, 2009). It means that it tests the relationship and direction between the dependent variable and independent variable. The analysis serves as an early stage of hypotheses investigation. The strength of correlation can be checked between the range of -1 to +1, while the direction can be confirmed based on (1) positive value which indicates positive relationship and (2) negative value which indicates a negative relationship.

### **3.8.3 Multiple Regression Analysis**

Multiple regression analysis adopted to test hypotheses in examining the direct association between several predictors (independent variables) and the dependent variable (Field, 2009). The multiple regressions then able to analyse whether the independent variable (entrepreneurial self-efficacy, motivation, government support and social network) influences the dependent variables (business success). The analyses also able to determine which variable in a set of independent variables greatly influences firm performance.

### **3.9 Summary of the Chapter**

This chapter has explained on the method of this research which covered research design, sampling process and instrument, data collection method as well as how data will be analysed. The development and operationalization of the questionnaire also have been presented to show its alignment with the research objectives. The next chapter will present the findings and discussions of results.





## **CHAPTER 4**

### **FINDINGS AND DISCUSSION**

#### **4.1 Introduction**

This chapter will discuss the findings of this study, which based on the research objectives as described in Chapter 1. Researcher will explain the findings of the statistical analysis and the results of hypotheses testing. The surveyed data obtained were analysed by the software of SPSS version 24. The presentation of the findings will be explained in the following categories, 1) Descriptive Analysis, 2) Pearson's Correlation Analysis and 3) Multiple Regression analysis. Furthermore, the researcher elaborates and discusses the results in order to enhance the researcher's knowledge.

#### **4.2 Descriptive Analysis**

A total of 302 questionnaires was distributed to the respective respondents who are whether the owner, the top management or at least the manager of the manufacturing or services company. After the process, the researcher gained back a total of 127 responses or 42 percent response rate of completed questionnaire. The response rate was acceptable according to (Baruch & Holtom, 2008) findings, where study which utilized data from organization resulted in an average response rate of 35.7 percent. Then, the data collected was entered in SPSS to complete the analysis processes. Frequency analysis was conducted to analyse and describe respondent demographic as regard to section A of the questionnaire. There were seven questions asked on the information related to the respondent's background which includes gender, age,

education level, as well as years of company establishment, type of business that the Bumiputra entrepreneurs involved.

Table below shows the details of a descriptive analysis by frequency and percentage.

Table 4.1

*Gender*

	Frequency	Percent	Valid Percent	Cumulative Percent
Female	44	34.6	34.6	34.6
Male	83	65.4	65.4	100.0
Total	127	100.0	100.0	

Based on Table 4.1, male respondent dominated the response rate with 83 respondent or equal to 65.4 percent compared to female with 44 respondent or equal to 34.6 percent.

Table 4.2

*Age*

	Frequency	Percent	Valid Percent	Cumulative Percent
30 years and below	9	7.1	7.1	7.1
31-40	107	84.3	84.3	91.3
41-50	8	6.3	6.3	97.6
51-60	3	2.4	2.4	100.0
Total	127	100.0	100.0	

Based on Table 4.2, majority of the respondent that took part in this research are comprise of people between age of 31 to 40 years old with 107 respondent or equivalent to 84.3 percent. This was followed by 9 respondent or 7.1 percent from the group of age 30 years and below. Next was group from the age of 41 to 50 years old with 8 respondent or 6.3 percent and finally from group of age 51 to 60 years old with 3 respondent or equivalent to 2.4 percent.

Table 4.3

*Education\_Level*

	Frequency	Percent	Valid Percent	Cumulative Percent
Master	15	11.8	11.8	11.8
Degree	53	41.7	41.7	53.5
Diploma	38	29.9	29.9	83.5
Secondary School	21	16.5	16.5	100.0
Total	127	100.0	100.0	

From Table 4.3, majority of the respondent education level is Degree which accumulate to 53 people or 41.7 percent followed by Diploma with 38 people or 29.9 percent. Next is secondary school with 21 respondent, and 15 respondent or 11.8 percent having Master.

Table 4.4

*Years\_of\_Establish*

	Frequency	Percent	Valid Percent	Cumulative Percent
Less than 5 years	55	43.3	43.3	43.3
5-10 years	44	34.6	34.6	78.0
11-15 years	22	17.3	17.3	95.3
16-20 years	4	3.1	3.1	98.4
More than 20 years	2	1.6	1.6	100.0
Total	127	100.0	100.0	

From Table 4.4, company that has been establish less than 5 years was the highest rank with 55 respondents or equivalent to 43.3 percent. Next was established between 5 to 10 years with 44 respondents and more than 20 years was with 2 respondents being the least to response

Table 4.5

*Type\_of\_Business*

	Frequency	Percent	Valid Percent	Cumulative Percent
Textile & Wearing Apparel	10	7.9	7.9	7.9
Health & Beauty	13	10.2	10.2	18.1
Cosmetics	5	3.9	3.9	22.0
Beauty Salon & Spa	9	7.1	7.1	29.1
Food & Beverage	22	17.3	17.3	46.5
Furniture & Wood Related Products	2	1.6	1.6	48.0
Pharmaceutical	3	2.4	2.4	50.4
Grocery/ Mini Mart	15	11.8	11.8	62.2
Stationery	8	6.3	6.3	68.5
Nursery	4	3.1	3.1	71.7
Construction	25	19.7	19.7	91.3
Packaging, Labeling & Printing	11	8.7	8.7	100.0
Total	127	100.0	100.0	

From Table 4.5, the type of business that being the most selected by the Bumiputra entrepreneur in Penang is the construction with 25 respondents or equivalent to 19.7 percent. Next is food & beverage with 22 respondents or equivalent to 17.3 percent. Grocery or mini mart being the third selected type of business with 15 respondents or 11.8 percent. Meanwhile, the least type of business selected by Bumiputra entrepreneur in Penang is furniture & wood related product with only 2 respondents or equivalent to 1.6 percent.

### 4.3 Correlation Analysis

Pearson correlation used by the researcher in this study in order to describe the correlation between dependent variable and independent variable. The correlation analysis in this section measured the intensity and direction of linear relationship between ESE, MT, SNT and GS with Business success. The ranges of the correlation coefficient are '-1' to '+1'. While, '-1' indicates negative relationship, '0' signifies no relationship, and '+1' represents positive relationship.

**Table 4.6**  
*Correlation Analysis*

		ESE	MT	GS	SN	BS
ENTREPRENEUR SELF-EFFICACY (ESE)	Pearson Correlation	1	-.130	.461**	-.339	.539**
	Sig. (2-tailed)		.146	.000	.000	.000
	N	127	127	127	127	127
MOTIVATION (MT)	Pearson Correlation	-.130	1	.534**	-.493	.073
	Sig. (2-tailed)	.146		.000	.000	.417
	N	127	127	127	127	127
GOVERNMENT SUPPORT (GS)	Pearson Correlation	.461**	.534**	1	-.827**	.512**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	127	127	127	127	127
SOCIAL NETWORK (SN)	Pearson Correlation	-.339**	-.493**	-.827**	1**	-.296**
	Sig. (2-tailed)	.000	.000	.000		.001
	N	127	127	127	127	127
BUSINESS SUCCESS (BS)	Pearson Correlation	.539**	.073	.512**	-.296**	1
	Sig. (2-tailed)	.000	.417	.000	.001	
	N	127	127	127	127	127

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Result in Table 4.6 above shows that entrepreneurial self-efficacy and government support has a moderate positive relationship with business success which entrepreneurial self-efficacy ( $r = .539, p = .000$ ) and government support ( $r = .512, p = .000$ ). On the other hand, motivation shows insignificant relationship with business success with motivation ( $r = .073, p > .05$ ) and social network has negative significant relationship with ( $r = -.296, p < 0.1$ ).

#### **4.4 Multiple Regression Analysis**

If more than two variables used to make a prediction towards dependent variable, the multiple regression analysis is appropriate to analyse the data. The purpose of using multiple regression analysis was to analyse whether the independent variables (i.e., entrepreneurial self-efficacy, motivation, government support, and social network) influence the dependent variables (business success).

As shown in Table 4.7 below, criterion validity was checked by examining the R-square value (0.532). These values suggested that the model used in this study has an acceptable degree of criterion validity where it can explain 53.2 percent of the variance in Bumiputra's business success. Where the F value = 22.696 ( $p = 0.000$ ), it means that the independent variable (entrepreneurial self-efficacy, motivation, government support and social network) is able to influence the dependent variable (business success).

However, the individual results of analysis vary between independent variables. The dimension of entrepreneurial self-efficacy demonstrates that  $\beta = 0.361, t = 2.534$  ( $p < 0.05$ ) means that the entrepreneurial self-efficacy has a significant relationship with business success. Secondly, the dimension of motivation gave a result of  $\beta = -0.087, t = -1.379$  ( $p > 0.1$ ) shows that it has a insignificant relationship with business success in

a negative direction. Thirdly, the dimension of government support has a significant relationship with business success with  $\beta = 0.903$ ,  $t = 4.881$  ( $p = 0.000$ ). While the last dimensions of social network also show significant relationship with business success with  $\beta = 0.570$ ,  $t = 4.022$  ( $p = 0.000$ ).

Table 4.7  
Analysis of Multiple Regression

**Model Summary**

	R	R Square	Adjusted R Square	Std. Error of the Estimate
	.729 <sup>a</sup>	.532	.508	.64160

**ANOVA<sup>a</sup>**

	Sum of Squares	df	Mean Square	F	Sig.
Regression	56.056	6	9.343	22.696	.000 <sup>b</sup>
Residual	49.398	120	.412		
Total	105.454	126			

**Coefficients<sup>a</sup>**

	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	Beta	Std. Error	Beta			
(Constant)	-5.454	1.253			-4.353	.000
Entrepreneur Self-Efficacy	.361	.142	.237		2.534	.013
Motivation	-.087	.063	-.122		-1.379	.170
Government Support	.903	.185	.692		4.881	.000
Social Network	.570	.142	.469		4.022	.000

Dependent Variable: Business Success

Predictors: (Constant), Entrepreneur Self-Efficacy, Motivation, Government Support, Social Network

#### 4.5 Hypotheses Testing

Multiple regression analysis gave variations of the hypotheses results in this study. Overall, the result shows 53.2 percent of the variance in business success were explained by independence variable (entrepreneurial self-efficacy, motivation, government support and social network). However, the individual analysis shows variation in result where two hypotheses (H1 and H3) were accepted which means the dimensions have positive significant relationships and the ability to influence business success (dependent variable). Meanwhile, one hypotheses (H4) have a negatively significant influence on business success. One hypothesis (H2) result was rejected due to insignificant relationships thus unable to influence the dependent variable (business success). Table 4.8 indicates about the hypotheses results of this study.

**Table 4.8**  
*Summary of Hypotheses testing*

	Hypotheses	Result
H1	The entrepreneurial self-efficacy has a positive significant influence on business success among Bumiputra in Penang	Accepted
H2	The motivation has a positive significant influence on business success among Bumiputra in Penang	Rejected
H3	The government support has a positive significant influence on business success among Bumiputra in Penang	Accepted



Table 4.8 (continued)

H4	The social network has a positive significant influence on business success among Bumiputra in Penang	Accepted
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#### 4.6 Discussions of Result

The main focus in this study are the factors or forces that can influences business success among bumiputra entrepreneurs in Penang. Bumiputra entrepreneur should have entrepreneurial trait such as self-efficacy and motivation but also needs help from external forces such as government support and social network to derive them to succeed. Four hypotheses have been formulated and will be discussed based on the findings.



##### **H1: The entrepreneurial self-efficacy has a positive significant influence on business success among Bumiputra in Penang**

The first hypotheses deal with the relationship between entrepreneurial self-efficacy and business success. Entrepreneurial self-efficacy dimension has demonstrated positive and significant correlation towards business success with  $r = .539$ ,  $p = .000$  and regression  $\beta = 0.361$ , ( $p < 0.05$ ) that supporting hypotheses H1. Therefore, hypotheses H1 has been accepted. Self-efficacy will increase a person's effort in accomplishing a difficult task because of the beliefs inside themselves that tailor with their capability. Self-efficacy will make an entrepreneur even stronger even under a high uncertainty.

**H2: The motivation has a positive significant influence on business success among Bumiputra in Penang.**

The second hypotheses deal with the relationship between motivation and business success. Motivation dimension has demonstrated insignificant correlation result with business success with  $r = .073$ ,  $p > .05$  and negative significant regression  $\beta = - 0.087$  ( $p > 0.1$ ) thus rejecting the hypotheses H2. The findings contradicted with prior studies by Raman (2004) as cited in (Saleem, 2012) where he discovered that motivational factors such as initiatives, support from third parties, family and friends encouragement, skills and economic conditions lead to entrepreneurs ' success.

Another study by Swunney and Runyan (2007) State that income generation and job creation are key factors in motivating people to become successful entrepreneurs, supporting family and friends. From the findings it shows that motivational factors are not enough to influence Bumiputra to be successful in Penang. The reasons mainly due to low capital, no strategic or affordable location to do the business and also the composition of ethnicity in Penang so it is difficult to sustain in business. Chinese having similar proportion with the Bumiputra in Penang has been known to being cleverer and having more experience in doing business and also having bigger capital. So, it is quite difficult in competing in business with them if just being motivated only.

### **H3: The government support has a positive significant influence on business success among Bumiputra in Penang**

The third hypotheses deal with the relationship between government support and business success. Government support dimension has demonstrated positive and significant correlation result towards business success with  $r = .512$ ,  $p = .000$  and regression  $\beta = 0.903$  ( $p = 0.000$ ). thus supporting the hypotheses H3. This finding is contradicted with study by Abdullah et al. (2001) in which authors have stated that the government support programs are ineffective because only limited number of SMEs get full assistance, resources are allocated with inefficiency and the programs focus more only on the new businesses. This study by Abdullah et al. (2001) still arguable since lack of empirical evidence in proving the effectiveness of government assistance programs towards performance is demanding in entrepreneurship research (Yusoff et al., 2010).

Meanwhile according to (Hung, Abdullah, Talib, & Abdul, 2010), the government supporting programs in Malaysia can improve the SMEs performance and can be most effective factors for their success. This study by Hung et al. (2010) is aligned with the third hypotheses and can be relate with the situation in Penang looking at the commitment by the government in providing support to Bumiputra in Penang which is the only state in Malaysia that has an agency that is solely dedicated to Bumiputra socioeconomic development, Bahagian Penyelarasan dan Pembangunan Bumiputra Pulau Pinang (Bumiputra Coordination and Development Division, BPPBPP). The BPPBPP is under the jurisdiction of Implementation and Coordination Unit (ICU)

of the Prime Minister's Office (PMO), and its main aim is to uplift the socioeconomic standing of Bumiputra in the northern state of Penang.

**H4: The social network has a positive significant influence on business success among Bumiputra in Penang**

Lastly, dimension of social network has demonstrated negative correlation towards business success with  $r = -.296$  ( $p < 0.1$ ) and regression  $\beta = 0.570$ , ( $p = 0.000$ ) thus supporting the hypotheses H4. This study is aligned with study by Indarti and Langenberg (2004) as cited by (Farinda, Kamarulzaman, Abdullah, & Ahmad, 2009). They suggested that social networking is one of the leading factors in business success, including other factors such as entrepreneur and SME characteristics, access to information, legality, government support, access to capital, entrepreneurial readiness, marketing and technology.

The function of social network expertise will assist mobilize company development on the basis of sociological theory, where the focus is on “building social relationships and bonds that promote trust” (Stam, Arzlanian, & Elfring, 2014). Therefore, entrepreneurs in Malaysia in particular can profit from social networks with “support, knowledge, trust, innovation and access to distribution channels for effectively manage of their resources” to achieve superior performance, continue to thrive and growth.

#### **4.7 Summary of the Chapter**

In this chapter, the researcher discussed the findings to answer formulated hypotheses. This study has found a significant influence of the independent variables towards the overall business success. Two independent variables, namely entrepreneurial self-efficacy and government support were able to influence business success while motivation was found unable to influence business success. The dimension of social network was negatively influenced business success. To conclude, three hypotheses (H1, H3 and H4) were accepted, one hypotheses (H2) was rejected. The next chapter will bring to the conclusion and recommendation as a concern to the topic of study.



## **CHAPTER 5**

### **CONCLUSION AND RECOMMENDATION**

#### **5.1 Introduction**

This chapter conclude on all key components and findings in the study. The presentation starts with the contribution of this study, practical implications, limitations, as well as a recommendation for future research.

#### **5.2 Contribution to Body of Knowledge**

Resource-Based View theory suggested that an organization sustainable competitive advantage lies primarily on its dynamic and superior resources (Penrose, 1959; Wernerfelt, 1984; Barney, 1991). Wernerfelt (1984) asserts that organization competitive advantage not only driven by its products but also its resources and therefore, identifying and acquiring dynamic and superior resources is critical for organization for the development of highly innovative products, processes and services. In the context of business success among Bumiputra entrepreneurs in Penang, this study contributes to add to the body of knowledge pertaining to the relationship between entrepreneurial traits namely self-efficacy and external forces which is government support and social network to the Bumiputra entrepreneur's success.

### **5.3 Practical Implication**

The findings of this study that relate to the entrepreneur's success confirmed that self-efficacy, government support and social network are the influential factors that can derive the entrepreneur's in Penang. They can adapt the findings in this study in an effort to enhance their possibilities to compete and succeed in Penang. The personality traits of entrepreneurs have been recognized to affect organizational performance (Robinson & Sexton, 1994) as cited by (Che Rose, Kumar, & Li Yen, 2006). A highly personal initiative entrepreneur is someone who initiates action and proactive action. Whether determining the success of start-ups or leading a business to growth stage effectively, private initiative, which reflects the capacity to self-start, proactive, and overcome obstacles, plays a significant role. In their studies, Bruerderl and Preisendoerfer (1998) discovered that support for social networks is linked to the survival and development of newly established businesses, as cited by (Che Rose, Kumar, & Li Yen, 2006). Finally, bumiputra entrepreneur in Penang can make use of the government support due to the commitment by the government in providing support to Bumiputra in Penang which is the only state in Malaysia that has an agency that is solely dedicated to Bumiputra socioeconomic development.

### **5.4 Limitations of the Study**

Research has limitations and it is important to be recognized and acknowledged. There are several limitations of the study where firstly, the study is only focused on Bumiputra entrepreneurs in Penang. Therefore, the finding and the result of this study was unable to be generalized to all populations of the entrepreneurs in Malaysia particularly.

Secondly, the researcher unable to generalize the results from this study because of small size of respondents are being used. 302 questionnaires has been distributed, from 302 questionnaire that has been distributed researcher received back only 127 respondents. The finding in this study might more reliable if the researcher applying larger size of respondent so that it will have more accurate data to analyze.

In addition, another limitation in this study is the responses were based on SME's owners and managers self-reporting in a questionnaire. This procedure has constraints in term of positive response bias. Therefore, it is recommended to investigate the relationships by obtaining multiple data within each firm. A survey using questionnaire also puts the respondents struggle with time constraints, then are less likely to respond correctly because of overworked feeling. Survey questionnaire also often forcing respondents into particular response categories, thereby, limiting the ranges of response. Unlike interview, where the respondent can ask to clarify questions, the response is limited to the text in survey's questions. The survey also cannot capture emotional feelings, unlike the interview method.

Final limitation in this study is has to be time constraint. Researcher has to take more time than allocated since researcher also have steady job to take care off to meet end income. Sometimes it is quite stressful since workload for the steady job is also quite heavy in addition to chasing the dateline of this study submission date. Thus, the researcher needs to manage time more efficiently in order to complete the study based on time as prescribed.



## **5.5 Directions for Future Research**

For future research, the researcher would like to propose that other dimensional of entrepreneurial to be examined so that it will improve the understanding of this topic from different lenses. Some dimension that can be examined further such as access to finance and also improvisational behaviour. Both dimensions have been used to measure the contribution towards business success in Malaysia context. By measuring both dimension towards business success specifically for the context of bumiputra entrepreneurs in Penang, it can examine further whether there are other variables that can be adapted by the Bumiputra entrepreneurs to give competitive advantage and also to be successful in Penang.

## **5.6 Concluding Remarks**

The purpose of this study is to investigate the relationship between entrepreneurial trait that are consist of self-efficacy and motivation, and also external forces that are consist of government support and social network with the business success among Bumiputra entrepreneurs in Penang. Bumiputra entrepreneurs in Penang have been taken as the subject of the study is due to the involvement of Bumiputra of Penang in SME industry and also as an entrepreneur seems not encouraging in which might giving a serious impact on the economic balance in Penang.

The multiple regression analysis has shown that entrepreneur self-efficacy, government support and social network are positively associated and able to influence the business

success among Bumiputra entrepreneurs in Penang. Thus, it means that self-efficacy, government support and social network are able to influence the dependant variable. Finally, the theoretical model of this study was developed from relevant current and past literature which covers the key variables such as entrepreneurial traits and external forces. This study accomplishes its objective in studying the determinant factors influences business success among Bumiputra entrepreneurs in Penang that provide significant implications in both theoretical and managerial.



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## APPENDICES







*Dear respondents,*

*I am a MSc Management student from Universiti Utara Malaysia. I am conducting research on “Factors Influence Business Success Among Bumiputra Entrepreneurs in Penang”. I request you to participate in this study by answering the attached questionnaire that will hardly take 10 minutes.*

*The questionnaire is anonymous, and your response will be used for the academic research purpose only. If you have any questions or concerns about the questionnaire or about participating in this study, you may contact me at [ed\\_ved1980@yahoo.com](mailto:ed_ved1980@yahoo.com)., you can also request for research findings through same email address.*

*Thanks for your cooperation.*

*Sincerely,*

.....  
Khairulhisham Bin Shamsuddin  
Msc management  
School of Business Management  
College of Business  
Universiti Utara Malaysia



*Responden yang dihormati,*

*Saya seorang pelajar Pengurusan MSc dari Universiti Utara Malaysia. Saya sedang menjalankan penyelidikan mengenai "Faktor-faktor Mempengaruhi Kejayaan Perniagaan di Kalangan Usahawan Bumiputra di Pulau Pinang". Saya meminta anda untuk mengambil bahagian dalam kajian ini dengan menjawab soal selidik yang dilampirkan yang tidak akan mengambil masa 10 minit.*

*Soal selidik adalah tanpa nama, dan respons anda akan digunakan untuk tujuan penyelidikan akademik sahaja. Sekiranya anda mempunyai sebarang pertanyaan atau kebimbangan mengenai soal selidik atau mengenai penyertaan dalam kajian ini, anda boleh menghubungi saya di [ed\\_ved1980@yahoo.com](mailto:ed_ved1980@yahoo.com)., Anda juga boleh meminta penemuan penyelidikan melalui alamat e-mel yang sama.*

*Terima kasih atas kerjasama anda.*

*Yang ikhlas,*

.....  
Khairulhisham Bin Shamsuddin  
Msc management  
School of Business Management  
College of Business  
Universiti Utara Malaysia

## **Section A: Demographic Profile**

The following questions consist of personal information and company's background.

*Soalan-soalan berikut merangkumi butiran peribadi dan latar-belakang syarikat.*

Please answer each question by ticking the appropriate box and fill-up required information.

*Sila jawab setiap soalan dengan menandakan kotak yang betul dan isikan maklumat yang lengkap.*

***Please kindly tick (✓) your answers in the appropriate boxes.***

***Sila tandakan (✓) untuk jawapa anda di kotak yang betul.***

1. Gender (*Jantina*):

☐

Male (*Lelaki*)

☐

Female (*Wanita*)

2. Age (*Umur*):

☐

30 and below  
(*30 ke bawah*)

☐

31- 40

☐

41 – 50

☐

51 – 60

☐

61 and above

3. Race (*Bangsa*):

☐

Malay (*Melayu*)

☐

Chinese (*Cina*)

☐

Indian

☐

Others, please specify: \_\_\_\_\_

4. What is your highest level of education you have completed?

(*Taraf pendidikan tertinggi*)

☐

PhD

☐

Master

☐

Degree

☐

Diploma

☐

Secondary school

☐

Primary School

Others, please specify (*Lain-lain*): \_\_\_\_\_

5. How long has your company been establish?  
*(Sudah berapa tahun syarikat di tubuhkan)*

- |   |  |
|---|--|
| <input type="checkbox"/> Less than 5 years<br><i>(Kurang dari 5 tahun)</i>  | <input type="checkbox"/> 16 – 20 years |
| <input type="checkbox"/> More than 20 years<br><i>(Lebih dari 20 tahun)</i> | <input type="checkbox"/> 5 – 10 years  |
| <input type="checkbox"/> 11 – 15 years                                      |  |

6. Type of Business *(Jenis Perniagaan)*

- |  |   |
|--|---|
| <input type="checkbox"/> Textile & Wearing Apparel                                       | <input type="checkbox"/> Rubber Products                |
| <input type="checkbox"/> Health & Beauty   | <input type="checkbox"/> Grocery/ Mini Mart             |
| <input type="checkbox"/> Cosmetics   | <input type="checkbox"/> Packaging, Labeling & Printing |
| <input type="checkbox"/> Beauty Salon & Spa  | <input type="checkbox"/> Jewellery                      |
| <input type="checkbox"/> Food & Beverages  | <input type="checkbox"/> Stationary                     |
| <input type="checkbox"/> Furniture & Wood Related Product                                | <input type="checkbox"/> Other, please specify: _____   |
| <input type="checkbox"/> Pharmaceutical, Medical<br>Equipment, Toiletries &<br>Household |   |

**Section B: Factors Associated with Business Success*****Faktor-faktor Penyumbang Kejayaan Perniagaan***

Instructions (*Arahan*):

Please kindly circle the appropriate scales. The numbers 1 to 7 represent the following:

*Sila bulatkan jawapan yang sesuai. Nombor 1 hingga 7 mewakili:*

Strongly Disagree	Disagree	Somewhat Disagree	Neutral	Somewhat Agree	Agree	Strongly Agree
1	2	3	4	5	6	7

**1-Entrepreneurial Self-Efficacy *Keberkesanan Diri Sendiri Terhadap Keusahawanan***

Please indicate the degree to which you agree with each of the following statements in defining your entrepreneurial self-efficacy applied in your business. *Sila nyatakan tahap anda bersetuju dengan kenyataan yang menggambarkan keberkesanan diri sendiri yang di guna pakai dalam perniagaan.*

**I have the ability to .....**

*Saya berkeupayaan untuk.....*

1	Brainstorm (come up with) a new idea for a product or service. <i>Membuahkan idea baru untuk produk dan servis</i>	1	2	3	4	5	6	7
2	Identify the need for a new product or service. <i>Mengenal pasti akan kehendak untuk produk terbaru atau servis.</i>	1	2	3	4	5	6	7
3	design a product or service that will satisfy customer needs and wants. <i>Mencipta produk atau servis yang dapat memenuhi kemahuan dan kehendak pelanggan.</i>	1	2	3	4	5	6	7
4	estimate customer demand for a new product or service. <i>Menganggar kehendak pelanggan</i>	1	2	3	4	5	6	7
5	determine a competitive price for a new product or service. <i>Menetapkan harga yang kompetitif untuk produk atau servis baru.</i>	1	2	3	4	5	6	7

6	design an effective marketing/advertising campaign for a new product or service. <i>Menghasilkan kempen pemasaran dan pengiklanan yang berkesan</i>	1	2	3	4	5	6	7
7	get others to identify with and believe in my vision and plans for a new business. <i>Melibatkan semua pihak dalam mengenal pasti dan memberi kepercayaan dalam visi perniagaan.</i>	1	2	3	4	5	6	7
8	clearly and concisely explain verbally or in writing my business idea in everyday terms. <i>Memberi penerangan secara jelas akan idea perniagaan secara berterusan.</i>	1	2	3	4	5	6	7
9	supervise employees efficiently. <i>Menyelia pekerja secara berkesan.</i>	1	2	3	4	5	6	7
10	recruit and hire employees. <i>Mengaji pekerja</i>	1	2	3	4	5	6	7
11	delegate tasks and responsibilities to employees. <i>Melantik wakil untuk melaksanakan tugas dan tanggungjawab.</i>	1	2	3	4	5	6	7
12	deal effectively with day-to-day problems and crises. <i>Menguruskan masalah dan krisis secara berkesan.</i>	1	2	3	4	5	6	7
13	inspire, encourage, and motivate my employees. <i>Memberi inspirasi, galakkan dan motivasi kepada pekerja.</i>	1	2	3	4	5	6	7
14	train employees. <i>melatih pekerja</i>	1	2	3	4	5	6	7
15	organize and maintain the financial records of my business. <i>Menyusun dan menyemak rekod kewangan perniagaan.</i>	1	2	3	4	5	6	7
16	manage the financial assets of my business. <i>Mengurus aset kewangan perniagaan.</i>	1	2	3	4	5	6	7

## 2-Motivation *Motivasi*

Please indicate the degree to which you agree with each of the following statements about your entrepreneurial motivation. <i>Sila nyatakan tahap anda bersetuju dengan setiap kenyataan berkenaan tahap motivasi keusahawanan anda.</i>								
1	I want to earn more money than working as an employee. <i>Saya mahu memperoleh pendapatan lebih daripada bekerja makan gaji.</i>	1	2	3	4	5	6	7
2	I want to be my own boss. <i>Saya sememangnya mahu bekerja sendiri.</i>	1	2	3	4	5	6	7
3	I want to take advantage of a good economic opportunity. <i>Saya mahu mengambil kesempatan ketika ekonomi dalam kedudukan yang baik.</i>	1	2	3	4	5	6	7
4	This is the best option for my own satisfaction and professional development. <i>Ini adalah pilihan terbaik untuk kepuasan diri dan pembangunan kerjaya saya.</i>	1	2	3	4	5	6	7
5	I was unemployed. <i>Saya tidak bekerja.</i>	1	2	3	4	5	6	7
6	I had to add to the family income. <i>Saya perlu mencari pendapatan tambahan untuk keluarga.</i>	1	2	3	4	5	6	7
7	I had to continue with a family business. <i>Saya perlu meneruskan perniagaan keluarga.</i>	1	2	3	4	5	6	7

### 3-Social Networking Rangkaian Kenalan

Please indicate the degree to which you agree with each of the following statements about your social networking. <i>Sila nyatakan tahap anda bersetuju dengan setiap kenyataan berkenaan rangkaian kenalan anda.</i>								
1	I always attend any trade fairs national or international to meet potential customer and keeping up to date with the latest business development. <i>Saya sentiasa menghadirkan diri ke pameran perdagangan di peringkat negara atau antarabangsa untuk berjumpa dengan individu yang berpotensi menjadi pelanggan dan untuk mengambil tahu akan perkembangan bisnes semasa.</i>	1	2	3	4	5	6	7
2	I receive a support from my spouse, family and friend regarding my business. <i>Saya mendapat galakan daripada pasangan, ahli keluarga dan rakan-rakan melibatkan perniagaan saya</i>	1	2	3	4	5	6	7
3	I have a strong tie with supplier. <i>Saya mempunyai hubungan yang erat dengan pembekal.</i>	1	2	3	4	5	6	7
4	I have a good relationship with other SME's in the same field for my business development. <i>Saya mempunyai hubungan yang baik dengan rakan niaga yang lain untuk perkembangan perniagaan saya.</i>	1	2	3	4	5	6	7
5	I have use social media platform such as Facebook, Instagram, Twitter and Website to help me in market penetration strategies. <i>Saya menggunakan platform media sosial seperti Facebook, Instagram, Twitter dan Website sebagai strategi untuk menembusi pasaran.</i>	1	2	3	4	5	6	7



## 6- Government Support *Bantuan Kerajaan*

Please indicate the degree to which you agree with each of the following statements about the government support. *Sila nyatakan tahap anda bersetuju dengan setiap kenyataan berkenaan bantuan dari kerajaan.*

Based on the assistance provided... *Daripada bantuan yang telah disalurkan kepada saya...*

1	the government is doing enough to help my business development in Malaysia. <i>Kerajaan telah memberi bantuan secukupnya dalam membantu perniagaan saya berkembang di Malaysia.</i>	1	2	3	4	5	6	7
2	there are too many terms and conditions required for my business to be complied before apply the loan. <i>terlalu banyak terma dan syarat yang perlu di patuhi sebelum saya dapat memohon pinjaman.</i>	1	2	3	4	5	6	7
3	it is easy for me or my business to deal with person/ officer who handle the application. <i>Mudah bagi saya untuk berurusan dengan pegawai yang menguruskan permohonan saya.</i>	1	2	3	4	5	6	7
4	my business received follow-up from a person/ officer incharge after received any assistance. <i>selepas menerima bantuan, pegawai yang bertugas sentiasa melakukan pemeriksaan susulan ke atas perniagaan saya.</i>	1	2	3	4	5	6	7
5	my business received high access to financing due to various guarantee schemes by government. <i>perniagaan saya memperoleh bantuan kewangan yang tinggi melalui pelbagai skim jaminan dari kerajaan.</i>	1	2	3	4	5	6	7
6	it is easy for my business to apply the following new loan after getting the first loan. <i>amat mudah untuk mendapatkan pinjaman terbaru untuk perniagaan saya selepas mendapan pinjaman permulaan.</i>	1	2	3	4	5	6	7

7	my business rely more on short term loan for business development. <i>Perniagaan saya bergantung kepada pinjaman jangka masa pendek untuk mengembangkan perniagaan.</i>	1	2	3	4	5	6	7
8	my business could exchange new ideas, experience and knowledge after attending seminar/workshop organised by government. <i>Saya dapat bertukar idea baru, berkongsi pengetahuan dan pengalaman selepas menghadiri seminar/ bengkel yang di atur kerajaan.</i>	1	2	3	4	5	6	7
9	the quality of mentorship programme helps to make my business sustainable. <i>Program mentor yang berkulaiti dapat membantu saya mengekalkan perniagaan.</i>	1	2	3	4	5	6	7
10	sharing knowledge among entrepreneurs in the same field increase my business production. <i>Berkongsi ilmu pengetahuan sesama pengusaha dalam bidang yang sama dapat meningkatkan pengeluaran perniagaan</i>	1	2	3	4	5	6	7
11	the technology received from the government meet my business needs. <i>Teknologi yang diperolehi dari pihak kerajaan sesuai di guna pakai perniagaan saya.</i>	1	2	3	4	5	6	7

### **Section C- Business Success Kejayaan perniagaan**

Please indicate the degree to which you agree with each of the following statements lead to your company business success. *Sila nyatakan tahap anda bersetuju dengan setiap kenyataan yang mendorong kejayaan perniagaan anda.*

1	Sales are increasing in my business. <i>Jualan perniagaan saya meningkat.</i>	1	2	3	4	5	6	7
2	Profits are increasing in my business. <i>Keuntungan perniagaan saya meningkat.</i>	1	2	3	4	5	6	7
3	My business has been observing overall growth. <i>Perniagaan saya menunjukkan peningkatan keseluruhan.</i>	1	2	3	4	5	6	7
4	My business has low debt levels. <i>Perniagaan saya mempunyai hutang yang rendah.</i>	1	2	3	4	5	6	7
5	Overall, the financial condition of the business is satisfactory. <i>Kedudukan kewangan perniagaan saya secara keseluruhan memuaskan.</i>	1	2	3	4	5	6	7
6	My business creates more jobs for local community. <i>Perniagaan saya menawarkan peluang pekerjaan kepada warga tempatan.</i>	1	2	3	4	5	6	7
7	My business obtains customer trust and confidence. <i>Perniagaan saya mendapat kepercayaan dan keyakinan dari pelanggan.</i>	1	2	3	4	5	6	7
8	My business is contributing to the community development. <i>Perniagaan saya menyumbang kepada pembangunan setempat</i>	1	2	3	4	5	6	7
9	My business has satisfied customers. <i>Pelanggan saya berpuas hati dengan khidmat yang saya berikan</i>	1	2	3	4	5	6	7
10	Overall, my business is performing well. <i>Pada keseluruhannya, prestasi perniagaan saya dalam keadaan yang baik</i>	1	2	3	4	5	6	7

**Thank you for your co-operation**

Name :

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Organization :

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Address :

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Phone :

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E-mail :

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